

AGREEMENT BETWEEN COUNTY OF SAN MATEO AND MICHAEL CALLAGY FOR SERVICES OF COUNTY EXECUTIVE

THIS AGREEMENT is entered into and effective as of the 1st day of June 2024, between the COUNTY OF SAN MATEO (hereinafter referred to as “County”) and MICHAEL CALLAGY (hereinafter referred to as “County Executive”) and sets forth the terms of employment of the County Executive.

WITNESSETH

WHEREAS, Michael Callagy has served in the role of County Executive (also sometimes referred to as “County Manager”) since 2018 and the County desires to continue to employ Michael Callagy as County Executive; and

WHEREAS, the County and the County Executive entered into an agreement dated July 10, 2018, amended by amendments dated October 6, 2020 and December 8, 2020, pursuant to which County Executive serves as County Executive and the agreement, as amended, was for a term that will end October 31, 2024; and

WHEREAS, the parties desire to enter into a new agreement, effective as of June 1, 2024 (“Agreement”), pursuant to which Michael Callagy will continue to serve as County Executive for a term through December 31, 2028, with this new Agreement, as of June 1, 2024, replacing and superseding, in its entirety, the prior agreement between the County and Michael Callagy.

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions as hereinafter set forth, the parties agree as follows:

1. Michael Callagy will be employed as County Executive of the County of San Mateo for a term commencing on June 1, 2024 and ending on December 31, 2028 or such earlier date that the parties may agree to. This Agreement, upon becoming effective, supersedes all prior

employment agreements between the County and County Executive. At the end of the term of the Agreement, the term may continue on a day-to-day basis, or may be renewed in writing, on any terms determined by the parties.

2. County Executive shall devote his full-time efforts to the performance of the duties of County Executive.

3. County Executive's compensation shall be governed by the terms set forth in the Resolution Establishing the Salary and Benefits of Unrepresented Management Employees of the County of San Mateo or other resolution or ordinance of the Board. However, in no event will County Executive's compensation be lower than what is set forth in the Resolution Establishing the Salary and Benefits of Unrepresented Management Employees of the County of San Mateo in effect as of the date of the execution of this Agreement. In addition, in order to avoid compaction issues, the County Executive's salary shall, at all times during the term of this Agreement, be at least 10% above the salary of the highest paid appointed department head directly reporting to the County Executive, and any resulting changes in salary will be made in compliance with then existing law. Further, the County Executive's salary shall be reviewed during the term of this Agreement at a time mutually agreeable to County Executive and the President of the Board of Supervisors. In addition, the parties agree that a compensation and benefits review for the County Executive position shall occur on or around January 2027.

4. Except as otherwise specified herein, County Executive shall receive the same benefits as other Department Heads currently in effect, including any other benefits that have been, or may be hereafter provided by resolution of the Board. This includes the right to participate in any Defined Contribution Plan offered to similarly-situated Department Heads

under the same terms and conditions.

5. Regardless of any other provision set forth by Board resolution or County policy, County Executive shall receive twelve (12) hours of vacation time per bi-weekly pay period, and there shall be a cap of 624 hours on vacation hour accrual. Any vacation time balance remaining at the time that County Executive separates from County employment will be paid to the County Executive in cash.

6. County Executive shall be entitled to County payment of ICMA and other professional dues and reasonable expenses for attendance at conferences and meetings.

7. Each pay period, the County Executive shall receive a contribution from the County to a defined contribution plan in an amount equivalent to nine percent (9%) of the County Executive's base salary and longevity pay, subject to applicable legal limits and any limitations set forth in the applicable County salary resolutions.

8. Notwithstanding anything to the contrary in the Resolution Establishing the Salary and Benefits of Unrepresented Management Employees of the County of San Mateo, if the County Executive retires concurrently with his separation from County service, for every eight (8) hours of unused sick leave, the County will pay \$800 toward the premium for one month of the retiree health plan.

9. County Executive shall serve at the pleasure of the Board of Supervisors. In other words, County Executive is employed at will and shall be subject to termination by a majority vote of the Board of Supervisors, with or without cause. However, in the event County chooses to terminate this Agreement without cause, County Executive shall receive payment of severance pay at the time of leaving the County in the amount equivalent to twelve (12) months' salary, or whatever amount is remaining on the term of Agreement not exceeding twelve (12) months,

consistent with Government Code section 53260. The County also shall pay its share of the cost of continuing County Executive in the County's health care benefits program for the number of months corresponding to the number of months of salary to which County Executive is entitled as severance pay or until County Executive is enrolled in an alternative health benefits program, whichever occurs first. In addition, the County Executive shall be entitled to payment of accrued leave to the same extent as all other senior managers of the County. In addition, if County chooses to terminate this agreement for cause, County Executive is not entitled to any amount of severance pay but is instead entitled to thirty (30) days' written notice. In consideration for the foregoing, as well as the County's other obligations pursuant to this Agreement, County Executive agrees to provide the County with ninety (90) days' advance written notice of his intent to terminate his employment. Pursuant to Government Code section 53243 *et seq.*, should County Executive be convicted of a crime involving the abuse of his position as defined in section 53243.4, County Executive shall fully reimburse the County all amounts specified in section 53243 *et seq.*, including but not limited to severance pay, pay for administrative leave during a pending investigation, any cash settlement related to County Executive's termination and/or any amounts paid by the County for the legal defense of County Executive.

10. The Board shall include the County Executive in Board goal-setting and shall periodically evaluate the performance of the County Executive in a process mutually agreed by the Board and the County Executive. The specific appraisal process will include at minimum the review of specific performance goals and measures and the establishment of new performance goals and measures. At the time of each evaluation, the Board shall consider and adjust, if appropriate, the compensation paid to the County Executive by resolution of the Board of Supervisors.

11. This Agreement sets forth the entire agreement between the parties and supersedes any and all other agreements or understandings, written or oral, between the parties pertaining to this subject matter. No other promises or agreements shall be binding upon the parties with respect to this subject matter unless separately agreed to in a writing executed by the parties.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

Dated: _____

COUNTY OF SAN MATEO

By _____
President of the Board of Supervisors

ATTEST:

Clerk of the Board

Dated: _____

By _____
Michael Callagy